

Message Text

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ORIGIN EB-07

INFO OCT-01 NEA-10 ISO-00 CAB-02 CIAE-00 COME-00 DODE-00
DOTE-00 INR-07 NSAE-00 CIEP-01 FAA-00 L-03 /031 R

DRAFTED BY EB/OA/AVP:SCKEITER:JO
APPROVED BY EB/OA:MHSTYLES
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NEA/INS - JGRAHAME
CAB/BIA - LBROWNE
DOT/OST - LERICSON (INFO)
-----101942Z 126555 /44
R 101851Z JAN 77
FM SECSTATE WASHDC
TO AMEMBASSY NEW DELHI

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E.O. 11652: N/A

TAGS: EAIR, IN

SUBJECT: CIVAIR - DISCRIMINATORY GOI PRACTICES

REF : (A) NEW DELHI 15524; (B) NEW DELHI 18135

1. REF B IS ENCOURAGING, EVEN THOUGH DEPT RECOGNIZES REMAINING OBSTACLES TO 90 PERCENT AUTOMATIC APPROVAL.
2. ACCORDING TO PAN AM, IMPORTANT REASON FOR RELATIVELY SMALL IMPACT OF SHIFT TO 90 PERCENT, IF ACCOMPLISHED, IS THAT AUTOMATIC APPROVAL COMES ONLY AFTER APPLICATION, WHICH CAN BE MADE ONLY ON 15TH OF MONTH AFTER MONTH IN WHICH FUNDS ACCUMULATED. THERE IS THUS AVERAGE 30-DAY DELAY IN EVEN "AUTOMATIC" REMITTANCES. WOULD IT BE LIMITED OFFICIAL USE

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POSSIBLE TO ALLOW PAN AM TO TRANSFER AT WILL UP TO 90 PERCENT OF REVENUES? IF NOT, COULD APPLICATION BE MADE AT WILL, OR AT LEAST MORE FREQUENTLY, EVEN IF AUDITS CONTINUED TO BE CONDUCTED MONTHLY?

3. WITH REGARD TO OVERALL PROBLEM, IT APPEARS TO DEPT THAT DOMINANT FACT IS THAT OPERATING ENVIRONMENT FOR

U.S. AIRLINES IN INDIA IS AMONG WORST IN WORLD FOR COUNTRIES SIGNIFICANT TO U.S. AVIATION INTERESTS. EMBASSY'S CONSTANT EFFORTS ARE GREATLY APPRECIATED, AND

ITS SUCCESSES WELCOMED. SITUATION, HOWEVER, WHILE BETTER THAN IT WOULD OTHERWISE HAVE BEEN, STILL NOT SATISFACTORY. PAN AM CHAIRMAN SEAWELL'S REMARKS (REF A) REFLECTED THE APPRECIATION; PAN AM'S COMPLAINTS TO THE DEPT REFLECT THE DISSATISFACTION. ON OCCASION WE MAY SIMPLY HAVE TO TELL PAN AM THAT THERE APPEARS TO BE NOTHING MORE THAN CAN USEFULLY BE DONE AT THE MOMENT.

4. IN ASSESSING SITUATION GENERALLY, DEPT WOULD APPRECIATE FOLLOWING INFORMATION:

A. HAS AIR INDIA'S FOREIGN EXCHANGE ADVANTAGE RE PASSENGER TRAFFIC BEEN ELIMINATED AS PRESAGED IN PARA 4, REF A?

B. HAS CHARTER REGULATION DISCRIMINATING AGAINST "ETHNIC INDIANS" BEEN DROPPED (PARA 3, REF A)?

C. WHAT IS PRESENT STATUS OF APPROACHES ON FOLLOWING QUESTIONS?

(1) DELETION OF AIRLINE'S NAME FROM P FORM.

(2) REBATES ON AIR FREIGHT CARRIED BY AIR INDIA.

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(3) AIR INDIA CONTROL OVER CHARTER APPROVALS. (PAN AM-U.S. FEELS AIR INDIA STILL EXERCISES SUCH CONTROL DESPITE ELIMINATION OF "NO OBJECTION" CERTIFICATE. HAS THERE BEEN SIGNIFICANT NUMBER OF REFUSALS?)

(4) EXCESSIVE IMPORT DUTY ON AIRLINE EQUIPMENT.

(5) COUNTING AIR FREIGHT AS PART OF IMPORT COST ONLY WHEN SHIPMENT SENT ON FOREIGN LINES.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE DISCRIMINATION, AIRLINES
Control Number: n/a
Copy: SINGLE
Sent Date: 10-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Source: CORE
Document Unique ID: 00
Drafter: SCKEITER:JO
Enclosure: n/a
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Film Number: D770009-0412
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ISecure: 1
Legacy Key: link1977/newtext/t19770166/aaaacfou.tel
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